



ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING
02/27/2023 7:30 PM
Conducted via Remote Participation - Zoom

ATTENDEES

Remy	A	White	P	Griffin	P	Bliss	A
Blundell	L	Younkin	P	Harmer	P	Tosti	P
Susse	P	Lobel	P	LaCourt	P	Deshler	P
Migliazzo	P	Gibian	P	Jones	P	Carman	A
Beck	A	Foskett	P	Heigham	P	McKenna	P
						Bradley	P

P indicates Present; L indicates late; A indicates Absent

Visitors: Sean Keane (ACMI)

INTRODUCTION

1. Deshler read the rules for the meeting as formulated by Town Counsel based on the Governor's authorization. An important rule is that all votes, unless unanimous, must be by roll call. Attendance was taken by roll call. A vote of "unanimous" means "unanimous vote by all present". The Chair votes only when there is a tie.

MINUTES

1. Meeting minutes from 2/22/2023 were approved unanimously as modified on 2/27/23

BUDGETS, ARTICLES & ITEMS

1. Select Board
 - a. The updated Select Board salaries total is \$279,920 and updated taxation total is \$277,855 due to Board Administrator salary change
 - b. VOTE: the Select Board budget, as revised, now totaling \$277,855 was approved unanimously (Blundell absent)
2. Town Manager
 - a. New Deputy Town Manager – Finance pay is \$141,760 resulting in an updated Salaries line total of \$983,396 and taxation total of \$745,453
 - b. VOTE: the motion to reopen the Town Manager budget was approved unanimously
 - c. VOTE: the Town Manager budget, as revised, now totaling \$745,453 was approved unanimously (Harmer absent)
3. Warrant Article 57: Appropriation/Other Post Employment Benefits (OPEB) Trust Fund
 - a. Net OPEB (Other Post Employment Benefits) UAAL (Underfunded Actuarial Accrued Liability) as of 6/30/22 was \$191,302,402

- b. Recommended transfer of \$2,067,454 to the OPEB Fund (sources: \$500,000 – Non-Contributory Practice, \$155,000 – Select Board Agreement Practice, \$1,412,454 – Health Insurance Trust Fund)
 - c. VOTE: the motion to transfer \$2,067,454 to the OPEB Fund was approved with 13 in favor and two abstaining (Lobel, McKenna)
- 4. Contributory Retirement Fund
 - a. PERAC Letter Directing Funding – Town and School: \$15,676,729 (\$1,542,544 offset primarily from Water and Sewer Enterprise Fund)
 - b. VOTE: the Contributory Retirement Fund budget, as revised, totaling \$14,133,735 was approved with 13 in favor and two abstaining (Lobel, McKenna)
- 5. Warrant Article 20: Acceptance of Legislation/G.L. c. 32B sec. 20 OPEB
 - a. An overview of this article was presented for informational purposes; the committee will not be voting on this article as it was deemed not a financial article
- 6. Information Technology
 - a. Informix cost remains because DPW requested continued access to legacy system
 - b. VOTE: the Information Technology budget, as revised, totaling \$1,154,325 was approved unanimously
- 7. Warrant Article 45: Appropriations/Committees & Commissions
 - a. Envision Arlington, Tourism & Economic Development, Human Rights Commission, LGBTQIA+ Rainbow Commission and Open Space Committee
 - b. VOTE: the cumulative budget of five groups (Envision Arlington - \$3,000; Committee on Tourism and Economic Development - \$4,275; Human Rights Commission - \$ 7,500, LGBTQIA+ Rainbow Commission - \$4,000 and Open Space Committee - \$300) totaling \$19,075 was approved unanimously
- 8. Warrant Article 50: Appropriation/Harry Barber Community Service Program
 - a. VOTE: the motion to vote no action on Warrant Article 50 and instead appropriate \$7,500 under Warrant Article 45 Appropriation/Committees and Commissions was approved unanimously
- 9. Warrant Article 46: Appropriation/Town Celebrations and Events
 - a. VOTE: the cumulative budget of three Town Celebrations and Events (Vets, Memorial & Patriots - \$5,667; Display of Flags - \$4,500 and Town Day - \$5,000) totaling \$15,167 was approved unanimously
- 10. Warrant Article 47: Appropriation/Miscellaneous
 - a. VOTE: the \$12,035 appropriation for Indemnification of Medical Costs was approved with 14 in favor and one abstaining (McKenna)
- 11. Warrant Article 51: Appropriation/Pension Adjustment for Former Twenty-Five Year/Accidental Disability Employees
 - a. VOTE: the motion for favorable action and a zero dollar appropriation was approved with 14 in favor and one abstaining (McKenna)
- 12. Warrant Article 53: Appropriation/Revaluation of Real Property
 - a. VOTE: the motion for favorable action appropriating \$100,000 was approved unanimously
- 13. Summary

Budget Name	Amount	Status
Select Board	277,855	Approved
Town Manager	745,453	Approved
WA 57: OPEB Trust Fund	2,067,454	Approved

Contributory Retirement Fund	14,133,735	Approved
Information Technology	1,154,325	Approved
WA 46: Committees & Commissions: Envision Arlington Tourism & Economic Development Human Rights Commission LGBTQIA+ Rainbow Commission Open Space Committee	19,075	Approved
WA 51/WA 46: Harry Barber Community Service Program	7,500	Approved
WA 46: Appropriations for Celebrations & Events	15,167	Approved
WA 47: Miscellaneous	12,035	Approved
WA 51: Pension Adjustment for Former	0	Approved
WA 53: Revaluation of Real Property	100,000	Approved

CONCLUSION

The meeting adjourned at 9:55 pm.

The next meeting is Wednesday, March 1, 2023.

Tara Bradley
2/27/2023

Reference 1: Updated Retirement Presentation

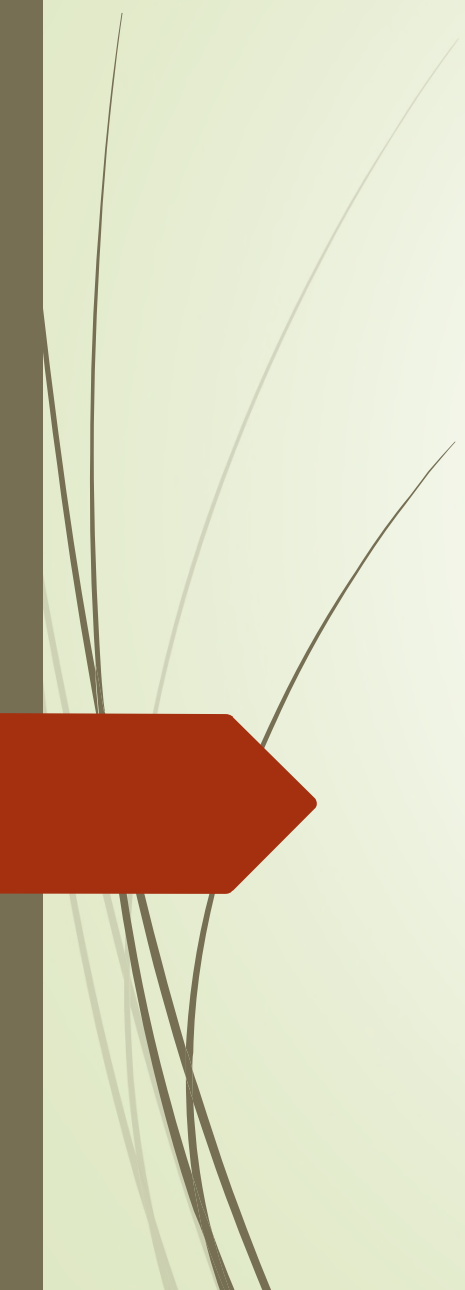
Reference 2: Town Manager Retirement Memo

Reference 3: Draft Warrant Article 20 Presentation

Reference 4: IT Budget Presentation

Reference 5: IT Budget Notes

Reference 6: IT Advance Questions



Retirement Budget FY 2023

Financial Budgets Working Group

February 27, 2023

Agenda

- Meeting and Attendees
- Retirement Benefit Issues
- OPEB and Non-Contributory Retirement Summary
- Arlington Contributory Retirement Fund
- ACR System Snapshot
- Summary Disclosure to PERAC
- Funding Schedule
- PERAC Letter and Recommended Vote
- Other Distributed References
 - "23FinComAnnotated Update Mtg 20230215.pdf"
 - "Arlington 2022 actuarial valuation_report signed.pdf"
 - "Arlington FY2021 GASB 74 and 75_signed report (1).pdf"

Meeting with ACRB

- Thursday February 9th
- Attendees
 - Arlington Contributory Retirement Board
 - Rich Greco
 - FinCom
 - Al Tosti (present)
 - Topher Heigham (present)
 - Brian Beck
 - Charlie Foskett (present)
- Meeting conducted by Zoom

Retirement Benefit Issues

- As with Social Security, funds are required to pay future benefits while retirees live.
- Fixed Benefit vs. Fixed Contribution Plans. In municipalities, both the Town and Employees contribute.
- As the number of retirees grows, and as retirees live longer, the future cost of the Town's fixed benefit plans grow.
- To meet future obligations, the actuaries calculate the Unfunded Amortized Actuarial Liability (UAAL), taking into account current ages, wages, and life expectancy of current and future employees and retirees and calculating the current day (present value) total liability.
- The annual Town contribution is how much the Town must pay each year to meet the current year retirees' benefit cost and how much it must invest to pay off the future liability in a certain number of years based on the anticipated return on investment of the invested funds.
- The State sets the date at which the future liability must be paid down, "the self-funding date"
- Both OPEB and Arlington Contributory Retirement plans have a UAAL

OPEB and Non-Contributory Retirement Summary

Transfer to OPEB Fund for Retiree health benefits:

- \$500,000 in lieu of Non-Contributory Retirement budget as in past (no more beneficiaries or survivors) who worked for Town before 1939.
- \$155,000 per agreement with retirees as in past.
- One time amount of \$1,412,454 from remaining \$1,462,454 in the Health Insurance Trust Fund (the HITF is from when the Town was self-insured, and the funds are no longer needed), leaving a reserve of \$50,000.
- The OPEB UAAL is included in the retirement packet previously distributed to the Committee.

Net OPEB UAAL 6/30/2022	\$191,302,402
Recommended Contribution Draft Warrant Article 57	
Non-Contributory Practice	\$500,000
Select Board Agreement Practice	\$155,000
Transfer from Health Insurance Trust Fund	<u>\$1,412,454</u>
Total Article 57	\$2,067,454

Arlington Contributory Retirement Fund

Managed By Arlington
Contributory Retirement Board

- Rich Greco, Administrator.
- Members
 - Cody, Ida – Comptroller, Ex Officio
 - Fantini, Alfred
 - Hughes, Kenneth - Chair
 - Jefferson, Robert
 - Keshian, Richard

- Public employee retirement Administration Commission (PERAC) – State Authority.
- Massachusetts Pension Reserves Investment Management Board (PRIM) – Manages the investment trust.
- Massachusetts Pension Reserves Investment Trust (PRIT) – where the investments are held.
- M&T Bank – custodial bank for Arlington funds.
- Stone Consulting – Arlington's actuarial advisor.

ACR System Snapshot

- Background details are in the Annotated Summary provided to the Committee, and in
- The Stone Consulting Actuarial Report also provided to the Committee

	January 1, 2022	January 1, 2021	Percentage Change
Funding			
Contribution for Fiscal 2024	\$16,280,277	\$16,280,277	0.0%
Members			
▪ Actives			
a. Number	808	771	4.8%
b. Annual Compensation	\$45,222,925	\$43,224,316	4.6%
c. Average Annual Compensation	\$55,969	\$56,063	-0.2%
d. Average Attained Age	46.4	46.8	-0.9%
e. Average Past Service	9.3	10.1	-7.5%
▪ Retired, Disabled and Beneficiaries			
a. Number	619	602	2.8%
b. Total Benefits*	\$20,342,537	\$19,539,884	4.1%
c. Average Benefits*	\$32,864	\$32,458	1.2%
d. Average Age	75.2	74.9	0.3%
▪ Inactives			
a. Number	487	464	5.0%
Normal Cost			
a. Total Normal Cost as of January 1, 2022	\$6,804,801	\$6,423,439	5.9%
b. Less Expected Members' Contributions	<u>4,238,308</u>	<u>4,018,612</u>	5.5%
c. Normal Cost to be funded by the Municipality	\$2,566,493	\$2,404,828	6.7%
d. Adjustment to July 1, 2023	175,173	164,139	6.7%
e. Administrative Expense Assumption	<u>480,240</u>	<u>466,254</u>	3.0%
f. Normal Cost Adjusted to July 1, 2023	\$3,221,906	\$3,035,221	6.2%
Actuarial Accrued Liability			
a. Active Members	\$116,367,058	\$118,091,049	-1.5%
b. Inactive Members	4,342,961	3,584,608	21.2%
c. Retired Members and Beneficiaries	<u>202,372,433</u>	<u>192,892,561</u>	4.9%
d. Total	\$323,082,451	\$314,568,218	2.7%
Unfunded Actuarial Accrued Liability			
a. Actuarial Accrued Liability	\$323,082,451	\$314,568,218	2.7%
b. Less Actuarial Value of Assets	<u>203,653,080</u>	<u>182,822,717</u>	11.4%
c. Unfunded Actuarial Accrued Liability	\$119,429,371	\$131,745,500	-9.3%
d. Adjustment to FY2024	<u>971,757</u>	<u>2,867,327</u>	
e. Unfunded Actuarial Accrued Liability as of FY2024	\$120,401,128	\$134,612,827	

* Excluding State reimbursed COLA

Summary Disclosure to PERAC

See Page 29, Stone Consulting Report

Actuarial Valuation as of January 1, 2022

PERAC Information Disclosure

The most recent actuarial valuation of the System was prepared by Stone Consulting, Inc. as of January 1, 2022

The normal cost for employees on that date was:	\$4,238,308	9.4% of payroll
The normal cost for the employer was:	\$2,566,493	5.7% of payroll

The actuarial liability for active members was:	\$116,367,058
The actuarial liability for retired members was (includes inactive):	\$206,715,393
Total actuarial accrued liability:	\$323,082,451
System assets as of that date (\$226,281,200.07 Market Value):	\$203,653,080
Unfunded actuarial accrued liability:	\$119,429,371

The ratio of system's assets to total actuarial liability was:	63%
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As of that date the total covered employee payroll was:	\$45,222,925
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The principal actuarial assumptions used in the valuation are as follows:

Investment Return:	7.00% per annum
Rate of Salary Increase:	Select and ultimate rate (4.00% ultimate rate)

SCHEDULE OF FUNDING PROGRESS (Dollars in \$000's)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
1/1/2022	\$203,653	\$323,082	\$119,429	63%	\$45,223	264%
1/1/2021	\$182,823	\$314,568	\$131,746	58%	\$43,224	305%
1/1/2019	\$157,412	\$299,973	\$142,561	52%	\$40,092	356%
1/1/2018	\$151,650	\$294,347	\$142,697	52%	\$38,204	374%
1/1/2017	\$143,793	\$277,735	\$133,942	52%	\$36,784	364%

Funding Schedule

- This funding schedule includes one-time retire base 5% cola granted by state and approved by the Select Board.
- Annual 5.5% increase is an agreement between the Town and ACRB to reach fully-funded condition by 2034.
- This assumes a 7% discount rate (return on funds invested).
- Since by law, retirement funding has priority over other Town spending, a lower rate of return could trigger a negotiation for a higher annual increase rate.
- One fully-funded, these appropriations may be redirected to reduce the OPEB UAAL.

ARLINGTON CONTRIBUTORY RETIREMENT SYSTEM FUNDING SCHEDULE

Fiscal Year	Normal Cost	Unfunded Liability	Funding Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution*	% Change
2024	3,221,906	120,401,128	13,124,783	(66,412)	16,280,277	5.50%
2025	3,366,892	114,785,688	13,875,213	(66,412)	17,175,692	5.50%
2026	3,518,402	107,974,209	14,668,366	(66,412)	18,120,355	5.50%
2027	3,676,730	99,837,252	15,506,657	(66,412)	19,116,975	5.50%
2028	3,842,183	90,233,736	16,392,638	(66,412)	20,168,408	5.50%
2029	4,015,081	79,009,975	17,329,002	(66,412)	21,277,671	5.50%
2030	4,195,760	65,998,641	18,318,596	(66,412)	22,447,943	5.50%
2031	4,384,569	51,017,649	19,364,423	(66,412)	23,682,580	5.50%
2032	4,581,874	33,868,951	20,469,659	(66,412)	24,985,121	5.50%
2033	4,788,059	14,337,242	14,337,242	(66,412)	19,058,889	-23.72%
2034	5,003,521	-	-	(66,412)	4,937,109	-74.10%

Amortization of Unfunded Liability as of July 1, 2023

* Contributions are set to be the amount resulting from a 5.5% increase on the prior year's contribution. The contribution in FY2033 decreases by 23.72%.

Bases in the funding schedule:

- Amortization of the unfunded actuarial accrued liability: 10 years.

PERAC Letter Directing Funding

PERAC
COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION
PHILIP Y. BROWN, ESQ., Chair | JOHN W. PARSONS, ESQ., Executive Director
Auditor: SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES J. GUIDO | RICHARD MACKINNON, JR. | JENNIFER F. SULLIVAN, ESQ.

MEMORANDUM

TO: Arlington Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Appropriation for Fiscal Year 2024

DATE: December 5, 2022

PERAC letter directing appropriation to the ACRB

DEC 15 2022

Required Fiscal Year 2024 Appropriation: **\$16,280,277**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2024 which commences July 1, 2023.

As we indicated in PERAC Memo #26/2022, we are no longer including the Projected Appropriations page as an attachment. Attached please find the portion of the Fiscal Year 2024 appropriation to be paid by each of the governmental units within your system.

If your System has a valuation currently in progress, you may submit a revised funding schedule to PERAC upon its completion. The current schedule is due to be updated by Fiscal Year 2025.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446 Extension 935.

JWP/jfb
Attachment

cc: Town Manager
Town Meeting
c/o Town Clerk

Only \$15,676,279 is appropriated by the Town. This includes offsets to enterprise funds, so the Taxation Appropriation is less.

Arlington Retirement Board Appropriation by Governmental Unit

Fiscal Year 2024 - July 1, 2023 to June 30, 2024

Aggregate amount of appropriation: **\$16,280,277**

UNIT	Percent of Aggregate Amount	Funding Schedule (excluding ERI)	ERI	Total Appropriation
Town and School	96.29%	\$15,676,279	\$0	\$15,676,279
Arlington Housing Authority	3.71%	\$603,998	\$0	\$603,998
UNIT TOTAL	100%	\$16,280,277	\$0	\$16,280,277

The Total Appropriation column shown above is in accordance with your current funding schedule and the scheduled payment date(s) in that schedule. Whenever payments are made after the scheduled date(s), the total appropriation should be revised to reflect interest at the rate assumed in the most recent actuarial valuation. Payments should be made before the end of the fiscal year.

Recommended Vote Retirement Budget

PERAC Letter				
UNIT	Percent of Aggregate Amount	Funding	ERI	Total Appropriation
Town and School	96.29%	\$15,676,729	\$0	\$15,676,729
Arlington Housing Authority	3.71%	\$603,998	\$0	\$603,998
UNIT TOTAL	100.00%	\$16,280,727	0.00%	\$16,280,727

Retirement Budget Page 152						
	2021 Actual	2022 Actual	2023 Budget	2024 Budget	\$ Change	% Change
0191281 PENSIONS						
5707 RETIREMENT COSTS	13,246,911	14,041,972	14,846,687	15,676,279	829,592	5.59%
5708 NON-CONTRIB PENSIONS	16,986	11,530			0	-
0191281 PENSIONS APPROPRIATION TOTAL	13,263,897	14,053,502	14,846,687	15,676,279	829,592	5.59%
OFFSETS	(1,344,140)	(1,425,766)	(1,478,854)	(1,542,544)	(63,690)	4.31%
0191281 PENSIONS TAXATION TOTAL	11,919,757	12,627,736	13,367,833	14,133,735	765,902	5.73%
Recommended Vote						

Thank You



**Town of Arlington
Office of the Town Manager**

Sanford M. Pooler
Town Manager

730 Massachusetts Avenue
Arlington MA 02476-4908
Phone (781) 316-3010
Fax (781) 316-3019
E-mail: spooler@town.arlington.ma.us
Website: www.arlingtonma.gov

TO: Finance Committee

CC: Ida Cody, Comptroller and Julie Wayman, Budget Director

FROM: Sandy Pooler, Town Manager *SMP*

DATE: February 22, 2023

RE: OPEB funding in FY24 Budget

I request that the Finance Committee consider transferring the bulk of the Health Claims Trust Fund into the OPEB Fund. It has been the Town's practice for many years to transfer three hundred thousand dollars (\$300,000) from the Health Claims Trust to the OPEB trust every year. The Town established the Health Claims Trust Fund as a remnant of the health insurance system it used prior to joining the Group Insurance Commission (GIC). The fund existed in case the Town decided to leave the GIC and contract for health insurance directly with a health insurance provider or providers, in which case it would have needed a fund with sufficient reserves to pay claims.

It is clear now that the likelihood of the Town leaving the GIC is practically zero. Therefore, there is no need to maintain this large balance in the fund. On advice our health insurance consultant, I recommend that we leave fifty thousand dollars (\$50,000) in the fund for now, in case the Town is presented with an old claim from our former health insurance system.

The advantage of transferring these funds is that it will boost the OPEB Trust Fund balance and allow the funds to be invested by the Retirement Board in the market. The Retirement Board is planning to transfer the OPEB Fund into the State PRIT Fund, the same place it invests the Town's pension funds. Doing so will provide the OPEB Fund with better long-term returns than it has now.

One consequence of this transfer is that in future years the Town will not have the Health Claims Trust Fund as an ongoing source for the OPEB Fund. Although we would continue appropriating six hundred fifty-five thousand General Fund dollars (\$655,000) into the OPEB Fund, it may be wise to find other sources to return the annual appropriation to the one million dollar range.

The current balance of the Health Claims Trust Fund is one million, four hundred sixty-two thousand, four hundred and fifty-four dollars (\$1,462,454). I recommend that the Finance Committee transfer one million, four hundred twelve thousand, four hundred fifty-four dollars (\$1,412,454) from the Health Claims Trust Fund to the OPEB Fund.



Draft Warrant Article 20

Financial Budgets Working Group

February 27, 2023

Article 20

ARTICLE 20 ACCEPTANCE OF LEGISLATION/G.L. c. 32B sec. 20 OPEB TRUST FUNDS

To see if the Town will vote accept G.L. c. 32B sec. 20 as amended by Chapter 218, Section 15 of the Acts of 2016, and further establish or amend its Other Post-Employment Benefits Liability Trust Fund and affirm the custodian and trustees of such funds; or take any action related thereto.

(Inserted by at the Request of the
Arlington Contributory
Retirement Board)

- ▶ TM and ACRB want to move funds from Maketa to PRIT for better returns
- ▶ PRIM requires acceptance of this legislation if they are to manage the money
- ▶ The Town has accepted this legislation for the retirement pension funds which are managed by PRIM

The Principal Issue

Process

- The Select Board is the Governing Body
- Town Meeting must accept the legislation
- The ACRB has requested the Article be submitted by the TM and that the Treasurer be the Custodian and the ACRB be the Board of Trustees
- The TM agrees
- The mirrors the way the pension fund is managed
- This is a policy article for the Select Board

Legislation

The Town can make a selection under the legislation ([General Law - Part I, Title IV, Chapter 32B, Section 20 \(malegislature.gov\)](#)) as follows:

“The governing body of the governmental unit shall designate a trustee or board of trustees, which shall have general supervision of the management, investment and reinvestment of the OPEB Fund. The governing body may designate as the trustee or board of trustees: (i) the custodian; (ii) the governmental unit's retirement board as the board of trustees; or (iii) an OPEB Fund board of trustees established by the governmental unit pursuant to subsection (e).”

Thank You

Information Technology

Arlington Financial Committee
February 27, 2023

Meeting with IT

- 2/13/2023
- Attending
 - Topher Heigham
 - Charlie Foskett
 - Al Tosti
 - Patricia Sheppard, CIO
 - Julie Wayman, Budget Director

Updated IT Budget - 2/2023

	2021 Actual	2022 Actual	2023 Budget	2024 Budget	\$ Change	% Change
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0115481 INFORMATION TECHNOLOGY SALARIES

5100 SALARIES & WAGES	725,765	684,796	704,343	711,927	7,584	1.08%
5103 OVERTIME	-	-	1,000	1,000	0	0.00%
5156 LONGEVITY	9,952	6,516	7,016	7,015	(1)	-0.01%
5160 STIPENDS	425	425	425	425	0	0.00%

0115481 INFORMATION TECHNOLOGY SALA	736,142	691,736	712,784	720,367	7,583	1.06%
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0115482 INFORMATION TECHNOLOGY EXPENSES

5204 IT STRATEGIC PLAN IMPLEMENTATION	23,000	20,942	-	-	0	-
5206 COMPUTER MAINTENANCE	18,971	14,782	6,520	6,520	0	0.00%
5209 IN-STATE TRAVEL	4,345	1,035	5,003	5,003	0	0.00%
5213 AUTO GAS & OIL	106	173	-	-	0	-
5215 TELEPHONE:EXPENSES	57,029	61,296	48,000	48,000	0	0.00%
5217 DUES/SUBSCRIPTIONS	383	-	100	100	0	0.00%
5218 TRAINING	9,103	14,736	20,000	20,000	0	0.00%
5219 CONSULTING	30,705	19,478	32,000	32,000	0	0.00%
5223 OFFICE SUPPLIES	1,441	1,532	1,500	1,500	0	0.00%
5224 OTHER SUPPLIES	1,476	793	800	800	0	0.00%
5236 OTHER PURCHASED SERVICES	20,944	6,511	25,350	25,350	0	0.00%
5292 NETWORK MAINTENANCE	18,537	11,723	63,690	63,690	0	0.00%
5294 INFORMIX MAINTENANCE	7,000	4,100	7,000	7,000	0	0.00%
5297 UNIX HARDWARE/SUPPORT & MAINT	2,300	-	-	-	0	-
5301 COMPUTER PAPER	887	818	-	-	0	-
5302 COMPUTER SUPPLIES	5,353	6,158	11,400	11,400	0	0.00%
5304 PRINTER SUPPLIES/REPAIRS	-	1,099	-	-	0	-
5305 SOFTWARE MAINTENANCE	47,905	108,825	134,450	174,450	40,000	29.75%
5350 COURIER SERVICE	-	-	400	-	(400)	-100.00%
5353 MUNIS SOFTWARE SUPPORT	177,217	263,936	283,000	283,000	0	0.00%

0115482 INFORMATION TECHNOLOGY EXPE	426,700	537,939	639,213	678,813	39,600	6.20%
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INFORMATION TECHNOLOGY APPROPRIATI	1,162,843	1,229,675	1,351,997	1,399,180	47,183	3.49%
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OFFSETS	(200,940)	(229,328)	(239,628)	(244,855)	(5,227)	2.18%
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INFORMATION TECHNOLOGY TAXATION TO	961,903	1,000,347	1,112,369	1,154,325	41,956	3.77%
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Positions

- Filled one project manager/business analyst role in Dec 2022, but a retirement leaves another position open
- Manager of Enterprise Applications - haven't found anyone who will take the job at the current salary range. Reposted with a tweaked job description to allow for some remote work.
- Manager of GIS moved from IT to DPW in FY23

FY22 to FY23 Budget Changes

FY22 Actuals = \$537,939

- \$60,000 for O365 licensing not spent or carried forward
- Roughly \$40,000 for email implementation not spent or carried forward

FY23 Projections = \$639,213

- \$62,000 for ongoing O365 licensing
- \$40,000 for professional services to support migration to Microsoft

O365 Microsoft License Breakdown

G1:	Exchange applications online only	100 licenses	\$11,500
G3:	Applications online and desktop	150 licenses	\$39,000
F3: apps)	Front Line Worker Technology (web and mobile	250 licenses	\$11,500
Total:			\$62,000

Telephone expenses

- Decrease due to moving 15K to Network Maintenance - for Voice over IP for office phones
- LAN lines from RCN
- Verizon mobile lines for work mobile phones

Verizon = \$20,000

10K land lines

6K Centrix lines

4K elevators

Telephone Charges

RCN = \$28,000

18K land lines

5K APD

1K AFD

4K APS

Network Maintenance

- Annual software cost
- Includes
 - Comcast
 - Web licenses
 - Backup solution
 - Barracuda - email filter

Training

- 10K - MUNIS conference
- 10K - Professional development for IT staff - have to master new tools
- Did not use all of FY22 budget

Consulting

- 2 developers for integration for DPW to automate water and sewer building and meter reading
- Support for hybrid meetings
- Secure trash disposal

Informix

- New MUNIS Utility Billing has 3 years of data
- DPW wants view access to legacy system for longer, which requires Informix
- When can we decommission it? Maybe next year. Patricia to follow up with DPW

MUNIS

- Have a MUNIS Steering Committee of super-users (town employees)
- General Billing is on hold - the work is scoped out but did not make the priority list. Also only one Project Manager right now
- No other modules purchased but uninstalled
- Are looking into Position Control module
- Must move to new MUNIS version by Dec 2023 - cash sharing for the Treasurer's office, which generates W-2's

Digitizing Documents

- Have a project team
- Pilot is Inspectional Services - ~10 processes and forms
- Then HHS, Town Clerk, probably DPW
- ~5-6 years total time

Other projects

- 2-3 year network roadmap - upgrade to Wifi 6
- DPW - new Grove St campus
- APS - tech infrastructure for new High School

Thank You

Information Technology

FY23 Budget Follow Up

Town of Arlington Finance Committee

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FY24 Budget Proposal

- Requesting additional \$40,000 for annual licensing of OpenGov Applications and Permitting platform
- Professional services/consultant funding spent in FY23 on Microsoft migration would be used for project work in next fiscal year (onboard additional departments onto OpenGov platform, etc)

There is a Software maintenance jump of 40K, with this explanation from Julie Wayman:

“The IT department requested \$40K to cover the annual licensing cost for an Applications & Permits platform. Historically, when similar IT requests were for hardware their location in the Capital Plan made more sense. Now that these requests are software licensing costs, it makes sense for it to be covered by the operating budget.”

Which software is this for? Microsoft 365? If so, for how many licenses and how much per license?

Line item questions

The telephone expenses budget is 10K+ less than actuals – do we anticipate a decrease in usage?

What is dues/subscriptions spent on?

What is consulting spent on?

What are ‘other supplies’ spent on?

Historical question: What caused the jump in MUNIS Software Support in 2022?

Position questions

What is the status of filling the two empty positions?

The 2022 TM Positions Reclassification Request shows the following – did this happen? Which position in the FY24 Salary Detail is affected?

Add - H. Director of GIS/Project Manager MTP12

delete - H. Systems Analyst/Director of GIS MTP12

When is the MUNIS general billing module coming?

Finally, we’d like a general update on the status and progress of major IT projects.